

Monthly CARS Reconciliation & Certification

Monthly Reconciliation

The Commonwealth Accounting and Reporting System (CARS) is the official financial system of the Commonwealth. To ensure proper internal control and the integrity of Virginia's financial statements, fiscal officers must reconcile all internally prepared accounting records, data submission logs, and other accounting data to CARS reports.

Monthly Reconciliation

- Fiscal officers are responsible for the integrity and appropriateness of financial transactions provided to the State Comptroller.
- Each fiscal officer must certify that the data provided are accurate, and that certification reflects the fiscal officer's assessment of internal control.

Reconciling

- What are the guidelines for reconciling?
- Where is information on reconciling located?

5 Minimum Requirements

1. Acknowledge management responsibility

Agency's management must accept and acknowledge its responsibility for the integrity and appropriateness of financial transactions sent to the State Comptroller, whether sent by direct entry into CARS or by electronic interface.

5 Minimum Requirements

2. Reconcile on time

Reconciliations must be performed, documented, and certified to the Comptroller monthly in the prescribed manner.

5 Minimum Requirements

3. Meet documentation requirements

Reconciliation documents must meet CAPP Manual standards for format and content. Reconciliation documents must be readily available for DOA and APA to meet their respective statutory responsibilities, and by the public under the Freedom of Information Act.

5 Minimum Requirements

4. Perform full-scope reconciliation

Each agency must reconcile accounting records, accounts, and logs to CARS. This reconciliation must be sufficient so that, after each month's ATVs and exception register are processed, the fiscal officer can assert that CARS transactions and balances are correct.

5 Minimum Requirements

5. Submit required report

- A. Each month except June – fiscal officers must certify that they have reconciled agency records to CARS via DOA's Internet-based *Confirmation of Agency Reconciliation* system. Confirmation for each month must be transmitted by the last business day of the following month.

5 Minimum Requirements

5. Submit required report

B. For June – Fiscal officers must certify that they have reconciled their internal records to CARS as directed in DOA's *Year-End Memorandum to Fiscal Officers*.

Confirmations Via Internet

- DOA's web-based *Confirmation of Agency Reconciliation* system enables authorized individuals to submit certifications electronically.
- For months other than June, the paper version of the certification is no longer accepted.

Confirmation of Agency Reconciliation

This Internet-based system enables fiscal officers to:

- Certify their records reconcile to CARS, financial transactions are accurate in all material respects, and management accepts responsibility for the integrity and objectivity of the transactions; and
- Tell DOA of needed adjustments that they cannot enter into CARS.

Remember!

June's confirmation has special requirements and procedures. Related information appears in DOA's *Year-End Memorandum to Fiscal Officers*.

Where on the Web?

- You can reach the web-based system from <http://confirmation.doa.virginia.gov/>.
- www.doa.virginia.gov/General_Accounting/Confirmation/Confirmation_Main.cfm links to the system's administrative manual and security form.

How are reconciling items handled?

- Whenever it is feasible to correct CARS via ATV or IAT, you must prepare and submit an ATV or IAT.
- On the confirmation, list as an “exception” any adjustment needed for which no appropriate transaction code is available.

What are “exceptions”?

Reconciling items identified during the reconciliation that agency personnel cannot correct themselves, because no transaction code allowed for ATVs or IATs will correct the CARS data.

Common Exceptions

- ✗ **IATs keyed incorrectly**

Not a true exception. Contact the initiating agency and prepare an IAT or ATV to correct.

- ✓ **Travel advance issues**

Review the 1317 during reconciliation. DOA must correct any 1317 errors.

- ✓ **Pass-through errors**

Review the 402 B during reconciliation process. DOA must correct any 402 B errors.

References

- CAPP Manual Topic
 - 20905, CARS Reconciliation Requirements
- Other Resources
 - DOA memorandum to agencies
www.doa.virginia.gov/General_Accounting/Confirmation/Confirmation_Letter.pdf
 - System administrative manual
www.doa.virginia.gov/General_Accounting/Confirmation/Confirmation_FO_Manual.cfm
 - System security maintenance form
www.doa.virginia.gov/General_Accounting/Confirmation/Conf_of_Agy_Recon_Security_Form.pdf

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